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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11

4218 PARTNERS LLC,

Case No. 19-44444 (nhl)

Debtor.
-----X

LOCAL RULE 1007- 4 DECLARATION

Joseph Fischman, declaring under penalty of perjury, pursuant to 28 U.S.C. §1746, says:

1. I am the Manager of 4218 Partners, LLC (the “Debtor”), the above-named debtor and have personal knowledge of the facts stated.

2. I submit this declaration pursuant to E.D.N.Y. Local Rule 1007-4, and in support of the Debtor’s voluntary petition for relief under chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§101, et seq. (the “Bankruptcy Code”), filed on July 21, 2019 (the “Filing Date”).

Debtor’s Business and Reasons for Filing

3. The Debtor is a limited liability corporation located at 1949 50 the Street, Brooklyn, New York 11204. It is not a small business within the meaning of section 101(51D) of the Bankruptcy Code.

4. The Debtor owns a development site on 4218 Fort Hamilton Parkway in Brooklyn (the “Property”) and a collection of air rights from nearby properties (the “Air Rights”). Earlier this year the Debtor obtained approval to build an 18 story structure on the Property.

5. In November of 2018, the Debtor acquired the Property and the Air Rights, obtaining a mortgage loan at the same time. One business day before the time of essence closing on

the Property acquisition, the lender reneged on its funding commitment, shorting the loan by \$750,000. The Debtor scrambled to close and but almost immediately defaulted on the loan.

Assets and Liabilities

6. Pursuant to an appraisal commissioned by the lender, the Debtor's assets were valued at \$12,100,000 as of November 16, 2018.

7. The Debtor's creditors are as listed in Exhibit A and hold claims totaling \$9,907,195.

Miscellaneous

8. No property of the Debtor is in the possession or custody and control of any public officer, receiver, trustee or assignee for the benefit of creditors, mortgagees, pledgees or assignees.

9. There is no current pending litigation against the Debtor.

10. No prepetition committee was formed by creditors of the Debtor.

11. A list of the 20 largest creditors is annexed as Exhibit B.

12. The Debtor's equity is not publicly held.

13. The Debtor does not have any payroll obligations.

14. The Debtor believes that with the protection of this Court, it will be able to maximize the value of its assets for the benefit of all creditors.

July , 2019



Joseph Fischman, Manager

Exhibit A

Fill in this information to identify the case:

Debtor name 4218 Partners LLC
 United States Bankruptcy Court for the: Eastern District of NY
 (State)
 Case number (if known): 19-44444

☐ Check if this is an amended filing

Official Form 206D

Schedule D: Creditors Who Have Claims Secured by Property

12/15

Be as complete and accurate as possible.

1. Do any creditors have claims secured by debtor's property?

- ☐ No. Check this box and submit page 1 of this form to the court with debtor's other schedules. Debtor has nothing else to report on this form.
☒ Yes. Fill in all of the information below.

Part 1: List Creditors Who Have Secured Claims

2. List in alphabetical order all creditors who have secured claims. If a creditor has more than one secured claim, list the creditor separately for each claim.

Column A

Amount of claim

Do not deduct the value of collateral.

Column B

Value of collateral that supports this claim

2.1 Creditor's nameDepartment of Finance NYC

Describe debtor's property that is subject to a lien

4218 Ft. Hamilton Pkwy\$ 39348.90\$ 12,000,000

Creditor's mailing address

POB 680 Newark NJ 07101-0680

Describe the lien

Creditor's email address, if known

Is the creditor an insider or related party?

- ☒ No
☐ Yes

Date debt was incurred

Is anyone else liable on this claim?

Last 4 digits of account number

- ☒ No
☐ Yes. Fill out *Schedule H: Codebtors* (Official Form 206H).

Do multiple creditors have an interest in the same property?

- ☐ No
☐ Yes. Specify each creditor, including this creditor, and its relative priority.

As of the petition filing date, the claim is:
Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

2.2 Creditor's nameDEP NYC Water Board

Describe debtor's property that is subject to a lien

4218 Ft. Hamilton Pkwy\$ 272.99\$ 12000000

Creditor's mailing address

POB 11863 Newark, NJ 071010680

Describe the lien

Creditor's email address, if known

Is the creditor an insider or related party?

- ☐ No
☐ Yes

Date debt was incurred

Is anyone else liable on this claim?

Last 4 digits of account number

- ☐ No
☐ Yes. Fill out *Schedule H: Codebtors* (Official Form 206H).

Do multiple creditors have an interest in the same property?

- ☐ No
☐ Yes. Have you already specified the relative priority?
☐ No. Specify each creditor, including this creditor, and its relative priority.

As of the petition filing date, the claim is:
Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

- ☐ Yes. The relative priority of creditors is specified on lines _____

3. Total of the dollar amounts from Part 1, Column A, including the amounts from the Additional Page, if any.

\$ _____

Debtor

Name

Case number (if known)

Part 1: Additional Page

Column A

Amount of claim

Do not deduct the value of collateral.

Column B

Value of collateral that supports this claim

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

2. Creditor's name Maguire Ft. Hamilton LLC	Describe debtor's property that is subject to a lien 4218 Ft. Hamilton Pkwy	\$ 8250000.00	\$ 12000000.00
Creditor's mailing address c/o Wachtel Missry LLP I Dag Hamerskold Plaza 885 Second Avenue, 47th Floor NY NY	Describe the lien		
Creditor's email address, if known	Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		
Date debt was incurred Last 4 digits of account number	Is anyone else liable on this claim? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H).		
Do multiple creditors have an interest in the same property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Have you already specified the relative priority? <input type="checkbox"/> No. Specify each creditor, including this creditor, and its relative priority. <input type="checkbox"/> Yes. The relative priority of creditors is specified on lines	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed		

2. Creditor's name	Describe debtor's property that is subject to a lien	\$	\$
Creditor's mailing address	Describe the lien		
Creditor's email address, if known	Is the creditor an insider or related party? <input type="checkbox"/> No <input type="checkbox"/> Yes		
Date debt was incurred Last 4 digits of account number	Is anyone else liable on this claim? <input type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H).		
Do multiple creditors have an interest in the same property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Have you already specified the relative priority? <input type="checkbox"/> No. Specify each creditor, including this creditor, and its relative priority. <input type="checkbox"/> Yes. The relative priority of creditors is specified on lines	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed		

Fill in this information to identify the case:

Debtor 4218 Partners LLC

United States Bankruptcy Court for the: Eastern District of NY
(State)

Case number 19-44444
(If known)

☐ Check if this is an amended filing

Official Form 206E/F**Schedule E/F: Creditors Who Have Unsecured Claims**

12/15

Be as complete and accurate as possible. Use Part 1 for creditors with **PRIORITY** unsecured claims and Part 2 for creditors with **NONPRIORITY** unsecured claims. List the other party to any executory contracts or unexpired leases that could result in a claim. Also list executory contracts on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B) and on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G). Number the entries in Parts 1 and 2 in the boxes on the left. If more space is needed for Part 1 or Part 2, fill out and attach the Additional Page of that Part included in this form.

Part 1: List All Creditors with PRIORITY Unsecured Claims**1. Do any creditors have priority unsecured claims?** (See 11 U.S.C. § 507).

- ☒ No. Go to Part 2.
☐ Yes. Go to line 2.

2. List in alphabetical order all creditors who have unsecured claims that are entitled to priority in whole or in part. If the debtor has more than 3 creditors with priority unsecured claims, fill out and attach the Additional Page of Part 1.

		Total claim	Priority amount
2.1 Priority creditor's name and mailing address	As of the petition filing date, the claim is:	\$	\$
	Check all that apply.		
	<input type="checkbox"/> Contingent		
	<input type="checkbox"/> Unliquidated		
	<input type="checkbox"/> Disputed		
Date or dates debt was incurred	Basis for the claim:		
Last 4 digits of account number	Is the claim subject to offset?		
	<input type="checkbox"/> No		
	<input type="checkbox"/> Yes		
Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) ()			
2.2 Priority creditor's name and mailing address	As of the petition filing date, the claim is:	\$	\$
	Check all that apply.		
	<input type="checkbox"/> Contingent		
	<input type="checkbox"/> Unliquidated		
	<input type="checkbox"/> Disputed		
Date or dates debt was incurred	Basis for the claim:		
Last 4 digits of account number	Is the claim subject to offset?		
	<input type="checkbox"/> No		
	<input type="checkbox"/> Yes		
Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) ()			
2.3 Priority creditor's name and mailing address	As of the petition filing date, the claim is:	\$	\$
	Check all that apply.		
	<input type="checkbox"/> Contingent		
	<input type="checkbox"/> Unliquidated		
	<input type="checkbox"/> Disputed		
Date or dates debt was incurred	Basis for the claim:		
Last 4 digits of account number	Is the claim subject to offset?		
	<input type="checkbox"/> No		
	<input type="checkbox"/> Yes		
Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) ()			

Debtor

Name

Case number (if known)

Part 2: List All Creditors with NONPRIORITY Unsecured Claims

3. List in alphabetical order all of the creditors with nonpriority unsecured claims. If the debtor has more than 6 creditors with nonpriority unsecured claims, fill out and attach the Additional Page of Part 2.

		Amount of claim
3.1	Nonpriority creditor's name and mailing address Law office OF Mordy Flam _____ 266 East Broadway, Suite B706 _____ NY NY 10022 _____ Date or dates debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Services Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
		\$ 31228.00
3.2	Nonpriority creditor's name and mailing address Avalon Designs Inc. _____ 2023 60th Str. _____ Brooklyn Ny 11204 _____ Date or dates debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Services Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
		\$ 6300.00
3.3	Nonpriority creditor's name and mailing address YMBBlueprints _____ 4820 16th Ave _____ Brooklyn NY 11204 _____ Date or dates debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
		\$ 69,000.00
3.4	Nonpriority creditor's name and mailing address Snap Developers LLC _____ 1450 37th Street _____ Brooklyn NY 11218 _____ Date or dates debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
		\$ 511045.57
3.5	Nonpriority creditor's name and mailing address _____ _____ _____ _____ Date or dates debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
		\$ _____
3.6	Nonpriority creditor's name and mailing address _____ _____ _____ _____ Date or dates debt was incurred _____ Last 4 digits of account number _____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
		\$ _____

Debtor

Name _____

Case number (if known) _____

Part 4: Total Amounts of the Priority and Nonpriority Unsecured Claims**5. Add the amounts of priority and nonpriority unsecured claims.****Total of claim amounts****5a. Total claims from Part 1****5a.** \$ _____**5b. Total claims from Part 2****5b.** + \$ _____**5c. Total of Parts 1 and 2**

Lines 5a + 5b = 5c.

5c. \$ 617573.57 _____

Exhibit B

Fill in this information to identify your case:

Debtor 1 4218 PARTNERS LLC
First Name Middle Name Last Name

Debtor 2 _____
 (Spouse, if filing) First Name Middle Name Last Name

United States Bankruptcy Court for the: Eastern District of New York

Case number 19-44444
 (If known)

☐ Check if this is an amended filing

Official Form 104

For Individual Chapter 11 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims Against You and Are Not Insiders

12/15

If you are an individual filing for bankruptcy under Chapter 11, you must fill out this form. If you are filing under Chapter 7, Chapter 12, or Chapter 13, do not fill out this form. Do not include claims by anyone who is an *insider*. Insiders include your relatives; any general partners; relatives of any general partners; partnerships of which you are a general partner; corporations of which you are an officer, director, person in control, or owner of 20 percent or more of their voting securities; and any managing agent, including one for a business you operate as a sole proprietor. 11 U.S.C. § 101. Also, do not include claims by secured creditors unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information.

Part 1: List the 20 Unsecured Claims in Order from Largest to Smallest. Do Not Include Claims by Insiders.

	Unsecured claim
1 Law office OF Mordy Flam <small>Creditor's Name</small> <u>266 East Broadway Suite B706</u> <small>Number Street</small> <u>NY</u> <u>NY</u> <u>10022</u> <small>City State ZIP Code</small> <small>Contact</small> <small>Contact phone</small>	What is the nature of the claim? <u>services</u> \$ <u>31,228.00</u> As of the date you file, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input checked="" type="checkbox"/> None of the above apply Does the creditor have a lien on your property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured): \$ _____ Value of security: - \$ _____ Unsecured claim \$ _____
2 Snap Developers LLC <small>Creditor's Name</small> <u>1150 37th Street</u> <small>Number Street</small> <u>Brooklyn</u> <u>NY</u> <u>11218</u> <small>City State ZIP Code</small> <small>Contact</small> <small>Contact phone</small>	What is the nature of the claim? <u>Advances and Services</u> \$ <u>511,045.57</u> As of the date you file, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input checked="" type="checkbox"/> None of the above apply Does the creditor have a lien on your property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured): \$ _____ Value of security: - \$ _____ Unsecured claim \$ _____

Debtor 1

4218 PARTNERS LLC

First Name Middle Name Last Name

Case number (if known) **19-44444****Unsecured claim**

3 Avalon Designs Inc Creditor's Name 2023 60th st Number Street Brooklyn NY 11204 City State ZIP Code Contact Contact phone	What is the nature of the claim? <u>Services</u> \$ <u>6,300.00</u> As of the date you file, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input checked="" type="checkbox"/> None of the above apply Does the creditor have a lien on your property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured): \$ _____ Value of security: - \$ _____ Unsecured claim \$ _____
4 YMBlueprints Creditor's Name 4820 16th Avenue Number Street Brooklyn NY 11204 City State ZIP Code Contact Contact phone	What is the nature of the claim? _____ \$ _____ As of the date you file, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input type="checkbox"/> None of the above apply Does the creditor have a lien on your property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured): \$ _____ Value of security: - \$ _____ Unsecured claim \$ _____
5 Creditor's Name Number Street City State ZIP Code Contact Contact phone	What is the nature of the claim? _____ \$ _____ As of the date you file, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input type="checkbox"/> None of the above apply Does the creditor have a lien on your property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured): \$ _____ Value of security: - \$ _____ Unsecured claim \$ _____
6 Creditor's Name Number Street City State ZIP Code Contact Contact phone	What is the nature of the claim? _____ \$ _____ As of the date you file, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input type="checkbox"/> None of the above apply Does the creditor have a lien on your property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured): \$ _____ Value of security: - \$ _____ Unsecured claim \$ _____
7 Creditor's Name Number Street City State ZIP Code Contact Contact phone	What is the nature of the claim? _____ \$ _____ As of the date you file, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input type="checkbox"/> None of the above apply Does the creditor have a lien on your property? <input type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured): \$ _____ Value of security: - \$ _____ Unsecured claim \$ _____

Debtor 1 **4218 PARTNERS LLC**
First Name Middle Name Last NameCase number (if known) **19-44444**

Unsecured claim

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Creditor's Name _____
 Number _____ Street _____
 City _____ State _____ ZIP Code _____
 Contact _____
 Contact phone _____

What is the nature of the claim? _____ \$ _____

As of the date you file, the claim is: Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed
☐ None of the above apply

Does the creditor have a lien on your property?

- ☐ No
☐ Yes. Total claim (secured and unsecured): \$ _____
 Value of security: - \$ _____
 Unsecured claim \$ _____

19

Creditor's Name _____
 Number _____ Street _____
 City _____ State _____ ZIP Code _____
 Contact _____
 Contact phone _____

What is the nature of the claim? _____ \$ _____

As of the date you file, the claim is: Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed
☐ None of the above apply

Does the creditor have a lien on your property?

- ☐ No
☐ Yes. Total claim (secured and unsecured): \$ _____
 Value of security: - \$ _____
 Unsecured claim \$ _____

20

Creditor's Name _____
 Number _____ Street _____
 City _____ State _____ ZIP Code _____
 Contact _____
 Contact phone _____

What is the nature of the claim? _____ \$ _____

As of the date you file, the claim is: Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed
☐ None of the above apply

Does the creditor have a lien on your property?

- ☐ No
☐ Yes. Total claim (secured and unsecured): \$ _____
 Value of security: - \$ _____
 Unsecured claim \$ _____

Part 2: Sign Below

Under penalty of perjury, I declare that the information provided in this form is true and correct.

X

Signature of Debtor 1

X

Signature of Debtor 2

Date _____
MM / DD / YYYYDate _____
MM / DD / YYYY